

House Engrossed Senate Bill

**FILED**

**KEN BENNETT  
SECRETARY OF STATE**

State of Arizona  
Senate  
Forty-ninth Legislature  
Second Regular Session  
2010

CHAPTER 158

## **SENATE BILL 1005**

AN ACT

AMENDING SECTION 42-11104, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX EXEMPTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-11104, Arizona Revised Statutes, is amended to  
3 read:

4 42-11104. Exemption for educational and library property

5 A. Libraries, colleges, school buildings and other buildings that are  
6 used for education, with their furniture, libraries and equipment and the  
7 land that is appurtenant to and used with them, are exempt from taxation if  
8 they are used for education and not used or held for profit.

9 B. Property and buildings are exempt from taxation if leased from:

10 1. A school district pursuant to a lease or lease-purchase agreement  
11 under section 15-342, paragraph 9 or 10.

12 2. A community college district pursuant to a lease or lease-purchase  
13 agreement under section 15-1444.

14 C. Property and buildings, including land, improvements, furniture and  
15 equipment, that are owned by a nonprofit organization that is recognized  
16 under section 501(c)(3) of the internal revenue code and that operates as:

17 1. A charter school pursuant to section 15-183 are exempt from  
18 taxation beginning on the date the nonprofit organization acquires ownership  
19 of the property and buildings if the property and buildings are used for  
20 education and are not used or held for profit.

21 2. A TRAP AND SKEET SHOOTING CLUB THAT TEACHES, TRAINS, SPONSORS,  
22 COACHES OR HOSTS OR SPONSORS CLINICS, SHOOTING LEAGUES, COMPETITIVE  
23 TOURNAMENTS OR OTHER EVENTS, INCLUDING HUNTER AND FIREARM SAFETY CLASSES, ARE  
24 EXEMPT FROM TAXATION IF THE PROPERTY AND BUILDINGS ARE USED FOR EDUCATION  
25 PURPOSES AND NOT USED OR HELD FOR PROFIT.

26 D. Within ten days after receiving an initial affidavit of eligibility  
27 submitted under section 42-11152 by a nonprofit organization described under  
28 subsection C of this section, the county assessor, on request, shall issue a  
29 receipt for the affidavit.

30 E. If the nonprofit organization described under subsection C of this  
31 section files with the assessor evidence of the organization's tax exempt  
32 status under section 501(c)(3) of the internal revenue code, the organization  
33 is exempt from the requirement of filing subsequent affidavits under section  
34 42-11152 until all or part of the property is conveyed to a new owner or is  
35 no longer used for education. At that time the organization shall notify the  
36 assessor of the change in writing.

37 F. A nonprofit organization described under subsection C of this  
38 section that acquires ownership of property that was previously owned by  
39 another nonprofit organization and used primarily for education shall comply  
40 with the requirements of section 42-11152 to qualify and establish  
41 eligibility for exemption.

1           G. If a nonprofit organization described under subsection C of this  
2 section that holds title to property used primarily for education fails to  
3 file the affidavit required by section 42-11152 in a timely manner, but  
4 otherwise qualifies for exemption, the county board of supervisors, on  
5 petition by the organization, shall direct the county treasurer to:

6           1. Refund any property taxes paid by the organization for a tax year  
7 if the organization submits a claim for the refund to the county treasurer  
8 within one year after the date the taxes were paid. The county treasurer  
9 shall pay the claim within thirty days after it is submitted to the  
10 treasurer. The county treasurer is entitled to a credit for the refund in  
11 the next accounting period with each taxing jurisdiction to which the tax  
12 monies may have been transmitted.

13           2. Forgive and strike off from the tax roll any property taxes and  
14 accrued interest and penalties that are due but not paid.

APPROVED BY THE GOVERNOR APRIL 26, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 27, 2010.